

CITY OF BISMARCK DEFERRED SICK LEAVE FUND
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2006

	October-06				September-06				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Month Policy Net ROR	Market Value	Allocation	Actual	Quarter Net ROR	FYTD	FY06	Ended 6/30/2006	Ended 6/30/2006
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
Los Angeles Capital	17,078	2.2%	2.3%	4.34%	16,814	2.2%	2.3%	1.60%	6.01%	11.12%	N/A	N/A
Total Structured Growth	17,078	2.2%	2.3%	4.34%	16,814	2.2%	2.3%	1.60%	6.01%	11.12%	12.01%	-0.32%
<i>Russell 1000 Growth</i>				3.52%				3.94%	7.59%	6.12%	8.35%	-0.76%
<i>Structured Value</i>												
LSV	18,662	2.4%	2.3%	3.46%	18,527	2.4%	2.3%	4.90%	8.53%	15.05%	21.14%	12.22%
<i>Russell 1000 Value</i>				3.27%				6.22%	9.70%	12.10%	15.70%	6.89%
<i>Russell 1000 Enhanced Index</i>												
LA Capital	35,707	4.6%	4.5%	4.00%	33,538	4.4%	4.5%	3.71%	7.86%	11.58%	N/A	N/A
<i>Russell 1000</i>				3.40%				5.06%	8.62%	9.08%	N/A	N/A
<i>S&P 500 Enhanced Index</i>												
Westridge	36,010	4.6%	4.5%	3.29%	35,813	4.6%	4.5%	5.75%	9.22%	8.77%	N/A	N/A
<i>S&P 500</i>				3.26%				5.67%	9.11%	8.63%	N/A	N/A
<i>Index</i>												
State Street	12,567			3.77%	12,441			5.78%	9.77%	9.51%	11.47%	2.62%
Total 130/30	12,567	1.6%	1.5%	3.77%	12,441	1.6%	1.5%	5.78%	9.77%	9.51%	11.47%	2.62%
<i>S&P 500</i>				3.26%				5.67%	9.11%	8.63%	11.22%	2.49%
TOTAL LARGE CAP DOMESTIC EQUITY	120,024	15.3%	15.0%	3.72%	117,133	15.2%	15.0%	4.49%	8.38%	10.95%	13.63%	3.95%
<i>S&P 500</i>				3.26%				5.67%	9.11%	8.63%	11.22%	2.49%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	40,697	5.2%	5.0%	5.47%	38,582	5.0%	5.0%	-0.01%	5.46%	13.58%	18.20%	7.84%
<i>Russell 2000 + 200bp</i>				5.92%				0.94%	6.92%	16.86%	21.06%	10.38%
TOTAL SMALL CAP DOMESTIC EQUITY	40,697	5.2%	5.0%	5.47%	38,582	5.0%	5.0%	-0.01%	5.46%	13.58%	18.20%	7.86%
<i>Russell 2000</i>				5.76%				0.44%	6.22%	14.58%	18.70%	8.50%
INTERNATIONAL EQUITY												
<i>Large Cap - Active</i>												
Capital Guardian	32,671	4.2%	4.0%	3.73%	31,470	4.1%	4.0%	5.02%	8.94%	28.07%	20.99%	6.90%
LSV	31,886	4.1%	4.0%	3.74%	30,712	4.0%	4.0%	6.24%	10.21%	27.09%	N/A	N/A
Total Large Cap - Active	64,557	8.2%	8.0%	3.73%	62,183	8.1%	8.0%	5.62%	9.57%	27.66%	21.92%	12.63%
<i>MSCI EAFE - 50% Hedged</i>				3.38%				4.87%	8.42%	26.72%	22.56%	6.89%
<i>Small Cap - Value</i>												
Lazard	7,662	1.0%	1.0%	4.90%	7,306	0.9%	1.0%	0.72%	5.66%	23.65%	28.06%	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				3.40%				1.53%	4.98%	29.28%	32.40%	N/A
<i>Small Cap - Growth</i>												
Vanguard	7,819	1.0%	1.0%	3.66%	7,543	1.0%	1.0%	3.73%	7.52%	29.24%	32.39%	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				3.40%				1.53%	4.98%	29.28%	32.40%	N/A
TOTAL INTERNATIONAL EQUITY	80,039	10.2%	10.0%	3.83%	77,031	10.0%	10.0%	4.93%	8.95%	27.35%	23.83%	8.67%
<i>MSCI EAFE - 50% Hedged</i>				3.38%				4.87%	8.42%	26.72%	22.56%	6.89%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	174,381	22.2%	22.4%	0.90%	172,335	22.4%	22.4%	4.45%	5.39%	-0.90%	7.36%	8.59%
<i>Lehman Aggregate</i>				0.66%				3.81%	4.49%	-0.81%	2.05%	4.97%
<i>Core Plus/Enhanced</i>												
Clifton Group	40,008	5.1%	5.2%	0.52%	39,751	5.2%	5.2%	N/A	N/A	N/A	N/A	N/A
Prudential	39,824	5.1%	5.2%	1.03%	39,307	5.1%	5.2%	N/A	N/A	N/A	N/A	N/A
Total Core Plus/Enhanced	79,833	10.2%	10.4%	0.77%	79,058	10.3%	10.4%	N/A	N/A	N/A	N/A	N/A
<i>Lehman Aggregate</i>				0.66%				3.81%				
<i>Index</i>												
Bank of ND	76,455	9.7%	9.8%	0.61%	75,798	9.8%	9.8%	3.10%	3.73%	-1.14%	1.14%	4.90%
<i>Lehman Gov/Credit (1)</i>				0.63%				3.91%	4.57%	-1.52%	1.04%	4.78%
<i>BBB Average Quality</i>												
Wells Capital (formerly Strong)	174,400	22.2%	22.4%	0.96%	172,288	22.4%	22.4%	4.60%	5.60%	-2.11%	2.63%	N/A
<i>Lehman US Credit BAA</i>				0.89%				4.80%	5.73%	-2.37%	2.63%	N/A
TOTAL DOMESTIC FIXED INCOME	505,068	64.4%	65.0%	0.86%	499,480	64.8%	65.0%	4.28%	5.18%	-1.39%	6.59%	7.79%
<i>Lehman Aggregate (2)</i>				0.66%				3.81%	4.49%	-0.81%	1.84%	5.28%
CASH EQUIVALENTS												
Bank of ND	38,658	4.9%	5.0%	0.44%	38,178	5.0%	5.0%	1.35%	1.79%	4.50%	2.71%	2.42%
<i>90 Day T-Bill</i>				0.38%				1.33%	1.71%	4.00%	2.37%	2.25%
TOTAL DEFERRED SICK LEAVE FUND	784,487	100.0%	100.0%	1.80%	770,404	100.0%	100.0%	4.03%	5.90%	4.30%	6.64%	5.41%
<i>POLICY TARGET BENCHMARK</i>				1.56%				3.90%	5.53%	4.18%	6.03%	5.30%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.